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☐ Individual appearing without attorney
☒ Attorney for: LARRY D. SIMONS, Ch. 7 Trustee

FOR COURT USE ONLY

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA - RIVERSIDE DIVISION

In re:
DAVID ROBERT STONE dba
CORNERSTONE FINANCIAL SERVICES.

CASE NO.: 6:25-bk-12353-SY
CHAPTER: 7

**APPLICATION FOR ORDER SETTING
HEARING ON SHORTENED NOTICE
[LBR 9075-1(b)]**

Debtor(s).

1. Movant applies under LBR 9075-1(b) for an order setting a hearing on shortened notice on the following motion:
- 1) Trustee's Motion for Order Authorizing Sale of Real Property and Approving Employment of Real Estate Broker and Payment of Commission from Sale of Real Property – Dk. No. 252 ; 2) Trustee's Application: (1) To
- a. Title of motion: Employ Revelation Machinery, Inc. as Trustee's Repossession and Reasale Agents; and (2) Requesting Continued Limited
- b. Date of filing of motion: 10/2/2025 Operations - Dk. No. 262; and 3) Trustee's Application to Employ Valcor Advisors - Trustee's Agent to Market and Sell Lease Portfolio of Conerstone Fin. Serv. - Dk. No. 263
2. Compliance with LBR 9075-1(b)(2)(A): ***(The following three sections must be completed):***

This form is optional. It has been approved for use in the United States Bankruptcy Court for the Central District of California.

- b. Identify the parties affected by the relief requested in the motion:

Wells Fargo Bank, N.A.; Marin County Tax Collector; Unsecured creditors; Vehicle lessors and finance agreement counterparties; Proposed buyer of the San Rafael property; Revelation Machinery, Inc., and Valcor.

- c. State the reasons necessitating a hearing on shortened time:

Cause exists for the Court to hear the Trustee's three pending motions on shortened time. As the Court's public notice makes clear, the ongoing federal government shutdown has left the Court operating on reserve funds that are projected to last only through October 17, 2025. After that date, the continued availability of essential personnel, and the Court's ability to conduct hearings at all, is uncertain. Prompt adjudication is necessary to avoid disruption to the administration of the estate and to safeguard significant value for creditors.

3. Compliance with LBR 9075-1(b)(2)(B): The attached declaration(s) justifies setting a hearing on shortened notice, and establishes a *prima facie* basis for the granting of the motion.
4. Movant has lodged a proposed Order Setting Hearing on Shortened Notice on mandatory form F 9075-1.1.ORDER .SHORT.NOTICE

Date: 10/10/2025

MARSHACK HAYS WOOD LLP

Printed name of law firm

/s/ Laila Rais

Signature of individual Movant or attorney for Movant

LAILA RAIS

Printed name of individual Movant or attorney for Movant

Declaration of Laila Rais

I, Laila Rais, state and declare as follows:

1. I am an individual over 18 years of age and competent to make this Declaration.

2. If called upon to do so, I could and would competently testify as to the facts set forth in this Declaration.

3. The facts set forth below are true of my personal knowledge.

4. I am an attorney at law duly admitted to practice before this Court and all courts of the State of California.

5. I am a partner of Marshack Hays Wood LLP, general bankruptcy counsel for Larry D. Simons, the duly appointed Chapter 7 Trustee ("Trustee") of the Bankruptcy Estate ("Estate") of David Robert Stone ("Debtor") dba Cornerstone Financial Services.

6. I make this Declaration in support Trustee's application for order shortening time regarding advancing the hearings dates on the following motions:

a. Trustee's Motion for Order Authorizing Sale of Real Property and Approving Employment of Real Estate Broker and Payment of Commission from Sale of Real Property – Dk. No. 252 ;

b. Trustee's Application: (1) To Employ Revelation Machinery, Inc. as Trustee's Repossession and Reasale Agents; and (2) Requesting Continued Limited Operations – Dk. No. 262 ;

c. Trustee's Application to Employ Valcor Advisors, LLC as Trustee's Agent to Market and Sell Lease Portfolio of Cornerstone Financial Services – Dk. No. 263 filed by the Chapter 7 Trustee (collectively, "Motions"). Capitalized terms not defined herein shall have the meaning ascribed to them in the Motions.

7. By the three pending Motions, the Trustee seeks relief necessary to preserve and maximize the value of the Estate's assets. First, through the Sale Motion (Dkt. 252), Trustee seeks authority under 11 U.S.C. § 363(b) to sell the estate's real property located at 170 Greenwood Avenue, San Rafael, California for \$2,400,000, free and clear of liens, subject to overbids, and with a good-faith purchaser finding, generating an estimated \$800,000 in net proceeds. Second, through

1 the Application to Employ Remarketer and Continue Limited Operations (Dkt. 262), the Trustee
2 seeks to retain Revelation Machinery, Inc. to locate, repossess, and liquidate more than 100 trucks
3 subject to leases and financing agreements, and to continue limited operations under 11 U.S.C. §
4 721 as necessary to recover and monetize estate assets. Third, through the Application to Employ
5 Valcor Advisors, LLC (Dkt. 263), the Trustee seeks authority to retain a qualified financial advisor
6 and sales agent to value, market, and sell the Estate's primary asset a multi-million dollar portfolio
7 of vehicle leases, financing agreements, and related receivables. Each of these motions is integral to
8 the effective administration of the case, and timely consideration is necessary to avoid substantial
9 harm to the estate.

10 8. For the following reasons, the hearing on the Motion should be set on shortened
11 notice:

12 9. As the Court's public notice makes clear, the ongoing federal government shutdown
13 has left the Court operating on reserve funds that are projected to last only through October 17,
14 2025. After that date, the continued availability of essential personnel, and the Court's ability to
15 conduct hearings at all, is uncertain. Prompt adjudication is necessary to avoid disruption to the
16 administration of the estate and to safeguard significant value for creditors.

17 10. That need is particularly acute here. First, the time to object to the three motions has
18 now expired. Except for Wells Fargo - which filed a limited objection to the sale motion seeking
19 full payment, a condition the Trustee accepts - no other party in interest has opposed the relief
20 requested. Under Local Bankruptcy Rule ("LBR") 9013-1(h), the absence of any opposition may be
21 deemed consent to the relief sought. Indeed, with respect to the Trustee's applications to employ the
22 remarketer and sales agent, the Court could, consistent with spirit of LBR 9013-1(o)(3), enter
23 orders approving those applications without a hearing. That procedural posture strongly supports a
24 hearing on shortened time.

25 11. The substantive equities further demonstrate good cause. Regarding the sale motion,
26 the proposed purchaser has advised that it may withdraw if the sale cannot proceed promptly,
27 jeopardizing a transaction that is projected to generate substantial net proceeds for the estate. With
28 respect to the remarketer application, payment for repossession and resale services, which are

1 essential to the Trustee's ability to recover and liquidate collateral, is contingent on the entry of an
2 order approving the employment or, alternatively, a determination that no order is required before
3 payment. Finally, with respect to the continued operations aspect of the remarketer application,
4 Estate operations are currently authorized only through November 11, 2025, and uninterrupted
5 authority is vital to preserve the Estate's ability to administer and monetize its portfolio of vehicle
6 leases and finance agreements.

7 12. In short, there is no prejudice to parties in interest. Indeed, their lack of opposition
8 constitutes consent while delay risks the loss of a major sale, the disruption of essential asset-
9 recovery efforts, and the expiration of operational authority. Under these circumstances, a hearing
10 on shortened notice is appropriate.

11 13. Accordingly, the Trustee requests that the hearings on the Motions be advanced to
12 October 15, 2025.

13
14 I declare under penalty of perjury that the foregoing is true and correct. Executed on
15 October 10, 2025

16
17 /s/ Laila Rais
18 LAILA RAIS
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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
870 Roosevelt, Irvine, CA 92620

A true and correct copy of the foregoing document entitled: **APPLICATION FOR ORDER SETTING HEARING ON SHORTENED NOTICE [LBR 9075-1(b)]** will be served or was served **(a)** on the judge in chambers in the form and manner required by LBR 5005-2(d); and **(b)** in the manner stated below:

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **October 10, 2025**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. SERVED BY UNITED STATES MAIL: On **October 10, 2025**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

DEBTOR

DAVID ROBERT STONE

4310 REDWOOD HWY, SUITE 100

SAN RAFAEL, CA 94903

DEBTOR

DAVID ROBERT STONE

49841 CANYON VIEW DRIVE

PALM DESERT, CALIFORNIA 92660

☐ Service information continued on attached page

3. SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL: Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **October 10, 2025**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

PRESIDING JUDGE'S COPY – VIA PERSONAL DELIVERY

HONORABLE SCOTT H. YUN

UNITED STATES BANKRUPTCY COURT

CENTRAL DISTRICT OF CALIFORNIA

3420 TWELFTH STREET, SUITE 345 / COURTROOM 302

RIVERSIDE, CA 92501-3819

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

October 10, 2025

Date

Layla Buchanan

Printed Name

/s/ Layla Buchanan

Signature

1. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): CONTINUED:

- **INTERESTED PARTY COURTESY NEF:** Anthony Bisconti tbisconti@bklwlaw.com, 1193516420@filings.docketbird.com, docket@bklwlaw.com
- **INTERESTED PARTY COURTESY NEF:** Charles L Doerksen cld@doerksentaylor.com
- **ATTORNEY FOR SECURED CREDITORS KATAAB LATEEF, KHATEEB AFSAR LATEEF, PATRICIA ANN LATEEF:** Anthony Dutra adutra@hansonbridgett.com, ssingh@hansonbridgett.com
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- **ATTORNEY FOR CREDITOR PORSCHE FINANCIAL SERVICES, INC. DBA BENTLEY FINANCIAL SERVICES AND PORSCHE LEASING LTD.:** Stacey A Miller smiller@tharpe-howell.com
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- **ATTORNEY FOR CREDITOR CARSTEN ANDERSEN:** Gregory A Rougeau grougeau@brlawssf.com
- **INTERESTED PARTY:** Vicki L Schennum schennumlaw@icloud.com
- **CHAPTER 7 TRUSTEE:** Larry D Simons (TR) larry@janus.law, c119@ecfcbis.com; nancy@lsimonslaw.com; simonsecf@gmail.com; keila@janus.law
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- **U.S. TRUSTEE:** United States Trustee (RS) ustpregion16.rs.ecf@usdoj.gov
- **ATTORNEY FOR ERIC STEINBERG:** Reilly D Wilkinson rwilkinson@scheerlawgroup.com, rwilkinson@ecf.courtdrive.com